

House Bill 1665

By: Representatives Buckner of the 76<sup>th</sup>, Powell of the 29<sup>th</sup>, Thomas of the 100<sup>th</sup>, Reece of the 11<sup>th</sup>, and Dukes of the 150<sup>th</sup>

A BILL TO BE ENTITLED

AN ACT

To amend Chapter 5 of Title 10 of the Official Code of Georgia Annotated, relating to securities and security investments, so as to provide for the establishment of the Georgia Investment Fraud Prevention Board; to provide for membership; to provide for terms; to provide that members shall receive no compensation; to provide for reappointment; to provide for administration; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

Chapter 5 of Title 10 of the Official Code of Georgia Annotated, relating to securities and security investments, is amended by adding a new Code Section 10-5-25 to read as follows:

"10-5-25.

(a) The Georgia Investment Fraud Prevention Board is established for the purpose of preventing investment fraud in Georgia by providing state oversight on current issues relating to investment fraud. The board's duties shall include studying, planning, and initiating methods for the prevention of investment fraud in this state. The board shall consider current information relating to investment fraud, with special attention given to the need for legislation, improved consumer information, and criminal or civil penalties for persons committing investment fraud. The board shall be authorized to share information as needed with law enforcement agencies, consumer protection agencies, and the general public. The board is authorized to provide expertise and assistance to the commissioner for the purpose of preventing investment fraud. The board shall provide an annual report to the Governor and the members of the General Assembly on November 1 of each year informing the Governor and the General Assembly of the board's activities and making recommendations for any needed legislative changes.

(b) The board shall be composed of nine members to be appointed as follows:

(1) Five members shall be appointed by the Governor. Of the five members, one member shall have experience in securities investments; one member shall have experience in and be representative of law enforcement; one member shall be a representative from the Prosecuting Attorneys' Council of the State of Georgia; one member shall be a representative from the League of Women Voters; and one member shall be a representative from the American Association of Retired Persons;

(2) Two members shall be appointed by the Senate Committee on Assignments. Of the two members, one member shall have experience in securities investments, and the second member shall have experience in and be representative of law enforcement; and

(3) Two members shall be appointed by the Speaker of the House of Representatives. Of the two members, one member shall have experience in securities investments, and the second member shall have experience in and be representative of law enforcement.

(c) Members shall be appointed to serve two-year terms and may be reappointed.

(d) The board shall meet quarterly and at such other times as it shall determine. The chairperson of the board shall be elected by the members present and voting at the first meeting of the board and annually thereafter. Members shall serve without compensation.

(e) The board is assigned to the Secretary of State for administrative purposes only, as prescribed in Code Section 50-4-3."

## **SECTION 2.**

All laws and parts of laws in conflict with this Act are repealed.